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Letter dated 8 August 2005 from the Acting Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to the Chairman's letter of 16 December 2004 (S/2004/1000). The Counter-Terrorism Committee has received the attached fifth report from Paraguay submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex). I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Ronaldo Mota **Sardenberg**
Acting Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

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Annex

[Original: Spanish]

Letter dated 29 July 2005 from the Permanent Representative of Paraguay to the United Nations, addressed to the Chairman of the Counter-Terrorism Committee

I refer to your letter dated 4 May 2005, relating to the submission of the fifth report of the Government of Paraguay to the Counter-Terrorism Committee.

I am pleased to attach herewith the fifth report, prepared by the inter-agency committee established by the Government of Paraguay for the implementation and follow-up of Security Council resolution 1373 (2001) (see enclosure). The originals will be sent as soon as they are received.

(*Signed*) Ambassador Eladio **Loizaga**
Permanent Representative

Enclosure

Fifth report of the Government of Paraguay, submitted pursuant to paragraph 6 of Security Council resolution 1373 (2001)

Measures to implement the provisions of resolution 1373 (2001)

Anti-terrorist legislation

The Government of Paraguay is pleased to reply to the questions put by the Counter-Terrorism Committee (CTC) concerning measures taken recently and those to be adopted in order to comply with the provisions of resolution 1373 (2001) of the Security Council.

In this connection, the Government of Paraguay emphasizes the importance of the assistance received from the five experts who visited the country in early December 2004 to conduct a high-level workshop and hold talks with national authorities of the three branches of State, and to advise the Working Group responsible for drafting a law against terrorism.

Because of the contribution of the visiting experts, and the meetings held with representatives of the three branches of State — the executive, the legislature and the judiciary — and with the Office of the Attorney-General of the Republic, considerable progress has been made in completing the text of this draft act, and in dispelling doubts on the matter, especially in parliament, having regard to the public concern which has been expressed on occasion and which has been reflected in previous reports to the Committee. Mention should be made of the attendance at the workshop of the expert Edward Flynn, from the Office of the High Commissioner for Human Rights in Geneva, who explained that legislation of this kind must be fully compatible with basic norms and principles of human rights.

Following the visit of the experts, the Working Group continued its task of drafting the act, taking into account the observations and recommendations made by the Committee's experts, and so was able to complete its work. Submission of the bill to Congress was delayed because of the parliamentary recess from 20 December 2004 to 1 March 2005, and subsequently because of the elections to Congress in the last week of June 2005, resulting in new membership of the various legislative committees.

In a very short time the Government will submit the draft anti-terrorism act to Congress for consideration, and will spare no effort to complete the necessary constitutional procedures to equip us with norms capable of preventing and addressing these criminal outrages and their tragic consequences.

The Inter-Agency Commission established by the Government through Executive Decree No. 15.125 of 24 October 2001 represents a number of national bodies so that compliance with the provisions of Security Council resolution 1373 (2001) can be ensured. When the draft act is submitted, the Commission will remain in contact with the members of the newly constituted parliamentary committees examining the draft, in order to provide whatever information and advice is needed to assure members of parliament that the draft conforms to international law and to the basic norms on respecting and upholding human rights.

The position of the Government of Paraguay in its commitment to fighting terrorism is well known. It has been publicly expressed in both multilateral and regional forums, where the Government has confirmed its intention of continuing to implement the recommendations and rules imposed on all States Members of the United Nations by Security Council resolution 1373 (2001).

The Government of Paraguay is fully aware of the need to adopt legislation conforming to international norms for the purpose of combating terrorism, and can therefore assure the Counter-Terrorism Committee that it will use all means in its power to implement the legislation.

Ratification of the anti-terrorist conventions

With regard to the ratification of the anti-terrorist conventions, the Government of Paraguay wishes to inform you that it has ratified and adhered to all these conventions, both those of the United Nations and those of the Organization of American States, namely:

1. **"Convention on Offences and Certain Other Acts Committed on Board Aircraft"**: adopted by Act No. 252 of the National Congress in June 1971, adhered to in August of that year and in force for Paraguay since 7 November 1971.

2. **"Convention for the Suppression of Unlawful Seizure of Aircraft"**: adopted by Act No. 290 of October 1971, ratified in February 1972 and in force for Paraguay since 5 May of that year.

3. **"Convention to Prevent and Punish the Acts of Terrorism Taking the Forms of Crimes against Persons and Related Extortion That Are of International Significance"**: adopted by Act No. 2378 of April 2004, ratified in August of that year and in force for Paraguay since 12 August 2004.

4. **"Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation"**: adopted by Act No. 425 of the National Congress in November 1973, ratified in March 1974 and in force for Paraguay since 4 April of that year.

5. **"Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation"**, adopted by Act No. 1926 in June 2002, adhered to in July of that year and in force for Paraguay since 22 August 2002.

6. **"Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents"**: adopted by Act No. 529 in October 1975, ratified in November of that year and in force for Paraguay since 20 February 1977.

7. **"International Convention against the Taking of Hostages"**: adopted by Act No. 2359 in April 2004, adhered to in September of that year and in force for Paraguay since 22 October 2004.

8. **"Convention on the Physical Protection of Nuclear Material"**: adopted by Act No. 1086 of the National Congress in November 1984, ratified in February 1985 and in force for Paraguay since 8 February 1987.

9. **"Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation"**: adopted by Act No. 2377 of the National Congress in February 2004, adhered to in November 2004, and in force for Paraguay since 10 February 2005.

10. **"Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf"**: adopted by Act No. 2380 of the National Congress in April 2004, adhered to in November of that year and in force for Paraguay since 10 February 2005.

11. **"Convention on the Marking of Plastic Explosives for the Purpose of Detection"**: adopted by Act No. 2379 of the National Congress of April 2004, adhered to in October of that year and in force for Paraguay since 14 December 2004.

12. **"International Convention for the Suppression of Terrorist Bombing"**: adopted by Act No. 2372 of the National Congress in May 2004, adhered to in September of that year and in force for Paraguay since 22 October 2004.

13. **"International Convention for the Suppression of the Financing of Terrorism"**: adopted by Act No. 2381 of the National Congress in May 2004, adhered to in November of that year and in force for Paraguay since 30 December 2004.

14. **"Inter-American Convention against Terrorism"**: adopted by Act No. 2302 of the National Congress in November 2003. Its instrument of ratification was deposited in January 2005, and it came into force for Paraguay on 5 February 2005.

As for the implementation of these conventions under the internal law of Paraguay, according to the National Constitution of 1992 treaties which have been signed and ratified have the force of law and are incorporated into the positive law of Paraguay. If any of the conventions require action of any kind by the authorities responsible for applying them, the Inter-Agency Commission established to ensure compliance with Security Council resolution 1373 (2001) will introduce all the measures necessary for that purpose.

Measures preventing the financing of terrorism

With regard to measures to prevent the financing of terrorism, the Government of Paraguay has begun a dialogue with the newly elected members of the National Congress with a view to accelerating the process of preparing, debating and adopting more up-to-date and appropriate legislation to combat the financing of terrorism, and will promote, through the legislature, the entry into force of a legislative reform of the present law against money-laundering. It has begun a dialogue with the newly elected members of the legislature so that legislative approval can be obtained during this parliamentary session.

For its part, the Central Bank of Paraguay, through the Banking and Insurance Commissions, issued a number of regulations in 2004 to bring the financial and insurance system into line with the recommendations of the Financial Action Task Force of South America (GAFISUD) for preventing the laundering of assets and the financing of terrorism.

Similarly, the Secretariat for the Prevention of Money- or Property-Laundering (SEPRELAD) is now considering in plenary session the draft regulations to be observed by banks, financial institutions, exchange offices and other entities supervised by the Banking Commission, and which will require them to devise programmes to combat money-laundering and the financing of terrorism. These regulations are explained below.

By resolution SS.SG. No. 155/05 of 13 May 2005, the Operational Regulation to Prevent Money- or Property-Laundering was adopted. It is binding on entities which, by their nature, fall under the supervision and control of the Insurance Commission.

At the regional level of MERCOSUR, the following agreements prepared by the Committee on the Prevention of Money-laundering have been signed:

"COOPERATION AGREEMENTS BETWEEN CENTRAL BANKS OF STATES PARTIES TO MERCOSUR" — Signed in Buenos Aires in October 2003.

PROTOCOL ON COOPERATION BETWEEN THE CENTRAL BANK OF BRAZIL AND THE BANKING COMMISSION OF THE CENTRAL BANK OF PARAGUAY — Signed in Asunción in December 2003.

A regulation has also been adopted on: "MINIMUM STANDARDS TO BE APPLIED BY THE CENTRAL BANKS OF MERCOSUR TO REVIEW AND EVALUATE SYSTEMS FOR THE PREVENTION OF MONEY-LAUNDERING INTRODUCED BY REGULATED INSTITUTIONS", signed in Buenos Aires in May 2004. This regulation emphasizes the need to inspect the economic grounds for customer transactions.

Within MERCOSUR, there is also a "virtual forum" for the exchange and processing of documentation and procedures relating to money-laundering and the financing of terrorism.

The Banking Commission has also issued the following regulations relating to the financial system:

- Resolution SB.SG. No. 0052/2004 of 27 February 2004, providing for the development and execution of the Network Project linking the Commission and the entities under its supervision, in the framework of the "*Agreement No. ATN/MT on non-reimbursable technical cooperation — 7926 — PR Programme for increased transparency and regulation in the financial system*", signed between the Central Bank of Paraguay and the Inter-American Development Bank.

- Circular SB.SG. No. 00270/2004 of 14 July 2004: to reduce to a minimum the risks of forged cheques circulating in the financial system, Resolution No. 1, record No. 123 of 15 November 2001, specifies mechanisms and other reporting authorities and instructions for documenting evidence of acts which are presumed to be illegal and reporting them to the competent authority, with a view to providing appropriate procedures and control measures to detect forged or adulterated instruments.

The Banking Commission (SIB) recently issued Circular No. 250 of 24 June 2004, establishing an "Operational Guide for the Prevention of Money-Laundering", to provide a single comprehensive set of procedures for prevention, on the basis of the standards required by multilateral bodies such as GAFI and GAFISUD, and similar bodies within MERCOSUR.

The Directorate of the BCP, through Resolution No. 22, Record No. 21 of 15 March 2005, recently introduced "exchange cashiers" operating in specially equipped premises, in which no single transaction may exceed one thousand United States dollars (US$ 1,000).

The Central Bank of Paraguay has also signed the following agreement in the framework of inter-agency cooperation:

- Cooperation Agreement between the Office of the Attorney-General and the Central Bank of Paraguay, to expedite procedures for the exchange of information between them.

Finally, it is worth mentioning that the draft regulation will be considered in the last week of August by the Secretariat for the Prevention of Money- or Property-Laundering (SEPRELAD), with a view to its approval.

In another area of activity, the Secretariat for the Prevention and Investigation of Terrorism (SEPRINTE) has taken a number of measures to investigate individuals and groups suspected of financing illegal activities, including terrorism.

As far as prevention is concerned, personnel of SEPRINTE are continuously monitoring the entire national territory, including the area of the "triple frontier" shared by Argentina, Brazil and Paraguay.

With regard to the fight against such crimes as kidnapping, which by their nature could finance terrorism, as a result of the recent events in our country, especially the kidnapping and subsequent murder of young Cecilia Cubas, the daughter of the former President of Paraguay, Don Raúl Cubas, the authorities responsible for public security have found evidence that elements of the Revolutionary Armed Forces of Colombia (FARC) are present in Paraguay. Upon confirming this information, the President of Paraguay, Nicanor Duarte Frutos, reconfirmed that armed confrontations with these elements of FARC in Paraguay is inevitable.

In the context of this problem, the President of Paraguay has met with his colleague Don Alvaro Uribe, the President of Colombia, to decide upon methods of bilateral cooperation against kidnapping and to investigate the kidnapping and murder in captivity of Cecilia Cubas, with which the FARC were connected, and their links with leaders of the political grouping in Paraguay known as the "Partido Patria Libre".

In order to begin this cooperation in security matters, the Vice-Presidents of the Republics of Colombia and Paraguay, respectively Francisco Santos and Luis Castiglioni, have put into action a joint plan for exchanging information about terrorist activities and criminal groups, their methods of operation and their finances, which may pose a threat to both States and consequently to all the countries of the region. For this purpose, a series of workshops were held recently in Asunción under the title "Training Workshops in Strategies and Techniques for Investigating Kidnappings — How the State should respond".

Finally, the Government of Paraguay wishes to mention the recently launched National Public Security Plan, called "Paraguay Seguro", which derives from a new outlook on citizens' safety and meets the needs of a world tending towards ever greater integration resulting from the irreversible progress of globalization.

The Plan is based on the principles of multiple disciplines, organizational and managerial pluralism, modernity, legality, decentralization, impartiality, transparency, participation by the people, information and training, with special attention to departmental and municipal regions, with strict observance of human rights. An organized and structured system of public security, with qualified human

resources both from a moral and professional standpoint, with means appropriate to the modern world, is a guarantee of the country's development and the welfare of its people.

The methodology for devising the Plan was based on participation, by holding discussion forums, interviews, statistical surveys and consultations with State and private bodies and with civil society, which were reported in the mass media. Account was taken of the most pressing security problems in each region and of the experience of other countries, in order to arrive at a consensus on recommendations made by national and international experts.

The legal framework to regulate the activities conducted for security purposes by the various public bodies is found in the national Constitution, in international agreements which have been duly ratified, and in codes, organic laws, decrees and regulations.

The timetable for implementing the National Plan provides, inter alia, for the following to be carried out immediately, in either the short or the medium term:

1. Modernizing the State's security apparatus

1.1 A complete overhaul of the communications system to ensure full national coverage.

1.2 Computerization of the system for dispatching public documents, and immigration controls throughout the country.

1.3 Strengthening the 911 system and extending its coverage.

1.4 Acquiring radar for air traffic control and surveillance.

1.5 Establishing a National Intelligence and Information Secretariat.

1.6 Forming specialized investigation teams (for kidnappings, terrorism, etc.).

1.7 Strengthening the anti-kidnapping units in the National Police and the Office of the Attorney-General, to enable them to carry out joint operations.

2. Inter-agency coordination

2.1 Coordinating operational activities between the National Police, the armed forces and the Office of the Public Prosecutor.

2.2 Signing, promoting and ratifying international agreements for providing legal and technical assistance in combating terrorism, drug-trafficking, kidnapping and other forms of organized crime.

2.3 Acting upon the recommendations of the United Nations in the matter of public security.

2.4 Devising and implementing a Policy for Citizens' Security, based on the findings of the regional Forums and on information and experience gained.

3. Cooperation and solidarity

3.1 Encouraging the formation of neighbourhood watch committees, and consolidating the existing ones.

3.2 Training members of the neighbourhood watch committees.

3.3 Upgrading the public information system to play a role in security.

3.4 Launching a pilot project for neighbourhood policing.

3.5 Entering into new agreements on neighbourhood security and upgrading existing ones.

3.6 Strengthening the crime prevention and public safety plan promoted by the Office of the Public Prosecutor.

4. Decentralization

4.1 Opening channels of communication between the police and local authorities to help them to coordinate their security responsibilities.

4.2 Drawing up cooperation agreements between the departmental and municipal authorities and headquarters of police at local level.

4.3 Deploying additional military detachments and police officers in strategic areas.

5. Legal changes

5.1 Upgrading the rules in force for the National Police.

5.2 Upgrading the law in force for the armed forces, so that it can be used to protect the public in peacetime.

5.3 Introducing a system of protection for victims, witnesses and persons reporting crimes.

5.4 Amending the Penal Code and the Code of Penal Procedure in the light of current events, and the Code of Penal Enforcement for the Rehabilitation of Offenders.

5.5 Upgrading the public security aspects of the Organic Law for Municipalities and Departments.

6. Coordination of information and communications

6.1 Implementing an integrated system of crime statistics, and developing a national observatory to monitor violence and delinquency.

7. Communications, education and dissemination

7.1 Devising and implementing a communications campaign to raise awareness about the commitment and contribution required from every citizen as an essential element in security.

7.2 Communicating and disseminating the National Public Security Plan "Paraguay Seguro"; preparing public information materials about the Plan.

8. Monitoring and evaluation

8.1 Introducing a regular system of monitoring, follow-up and evaluation, the findings of which will be used to evaluate and adapt the Plan as necessary.

8.2 Strengthening the capacity of citizens' monitoring bodies to monitor the actions of the security authorities.